

2008 Environmental Policy



Discussions with the Regional Resource Stewardship Council

October 9, 2008 John W. Myers



Stakeholder Engagement and Input

- Extensive public comments received
- 40 one-on-one interviews
- 7 town hall meetings
- 2 listening sessions on renewables & energy efficiency
- TVA Board and Executive team
- TVPPA, Distributors and Groups
- Valley Caucus members and staffs
- Federal and State agencies
- Nongovernmental organizations including FACA
 The Regional Resource Stewardship Council



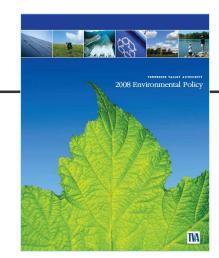
Results from **public** input on draft policy

What We Heard

- More emphasis on a renewable and cleaner energy portfolio
- Increase use of emissions controls and technologies
- Reduce thermal impacts and water consumption
- Reduce TVA's waste footprint
- Increase eco-friendly recreation on TVA lands
- Develop a policy for mineral rights



Environmental Framework





TVA Board approved the TVA Environmental Policy on May 19, 2008



- Climate change mitigation
- Improvement of air quality
- Protection and improvement of water resources
- Waste minimization
- Sustainable land use
- Sound natural resource management







Climate change mitigation

Environmental Objective

Stop growth in volume of emissions and reduce rate of

carbon emissions (intensity) by 2020









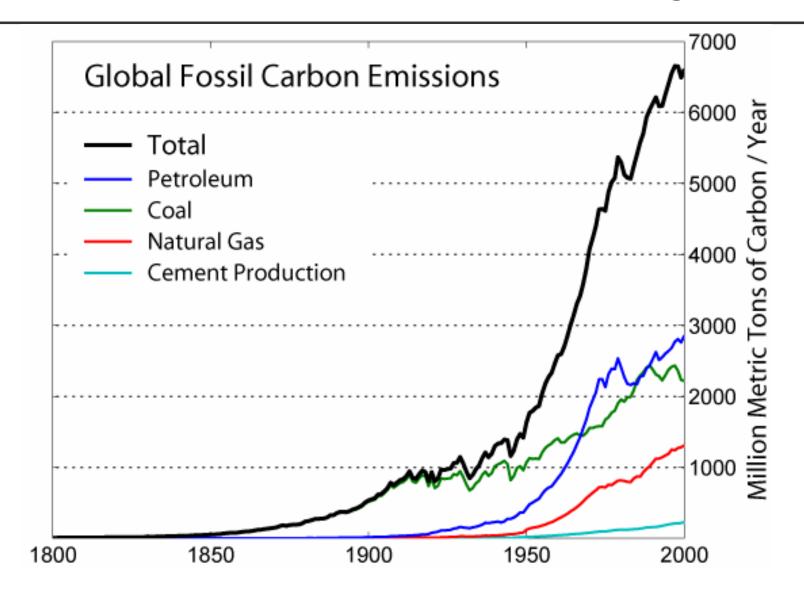








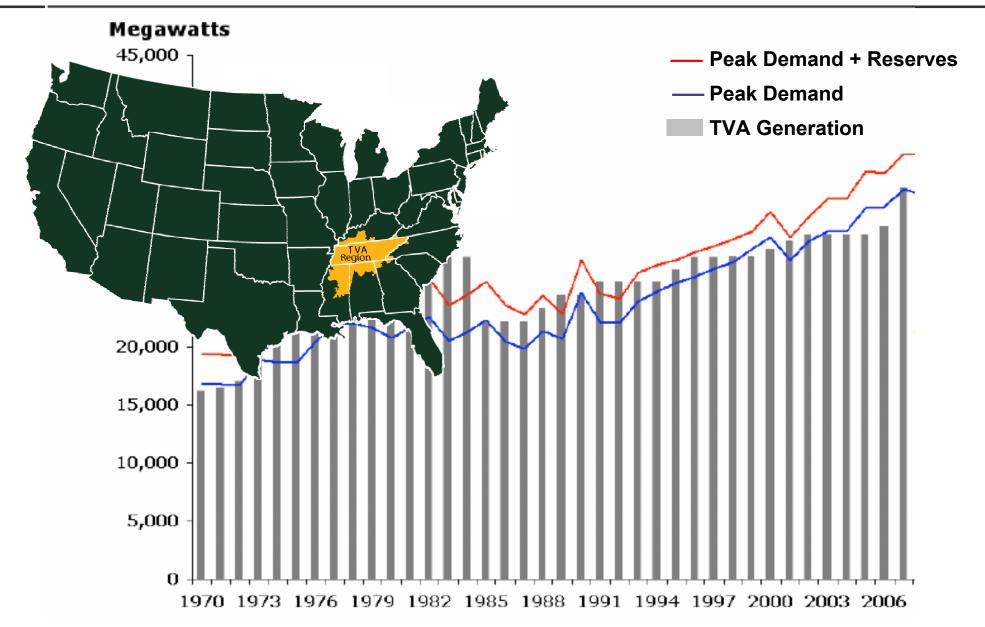
Carbon Emissions are Growing



"Carbon Emissions have grown 7-fold since the 1930's"

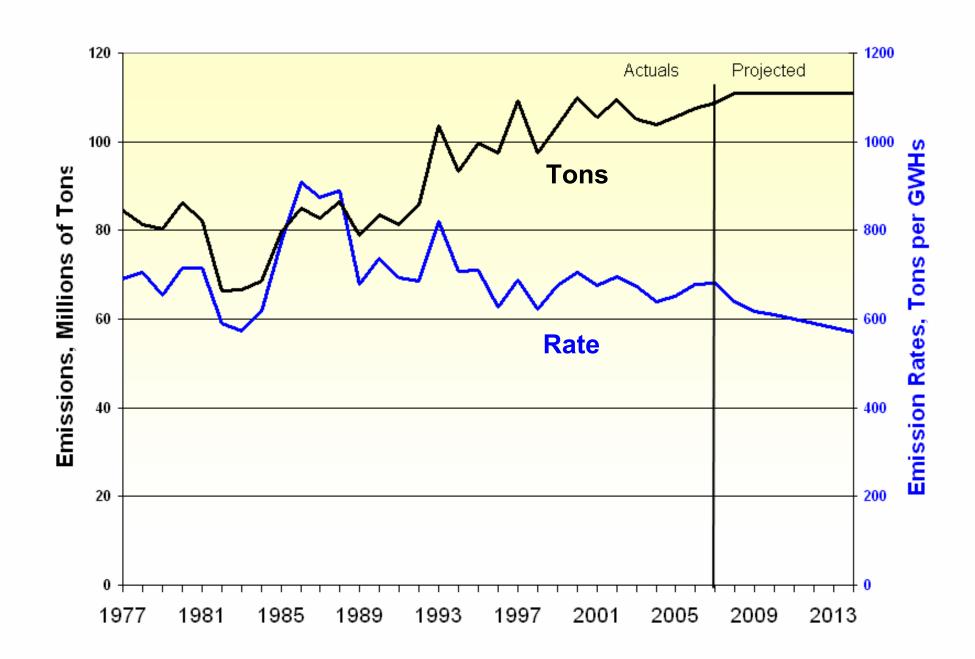


Electricity Demand Continues to Grow



"Peak Demand in the TVA Region Growing ~2.0%/year "

TVA CO₂ Emission Trends





Clean Energy

Definition

TVA's clean energy portfolio will be defined as energy that has a near-zero carbon emission rate or energy efficiency improvements

Examples

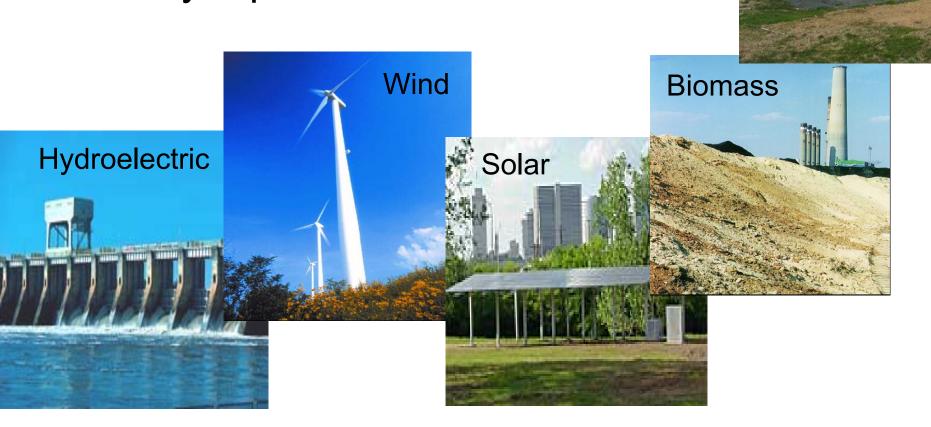
Nuclear, renewables (including hydro), demand reduction, or waste heat recovery



Renewable Energy

Definition

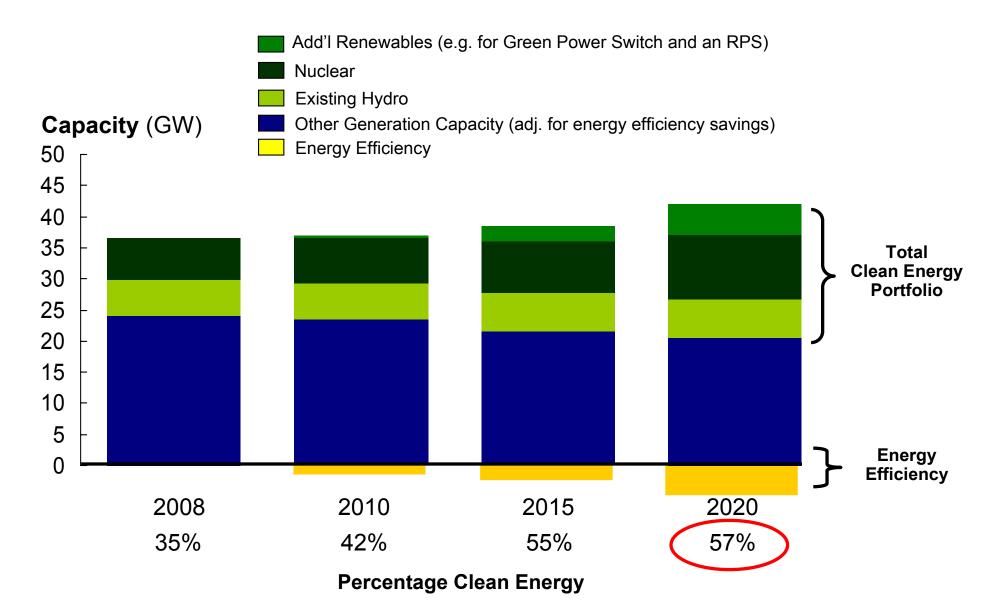
TVA's renewable energy will be defined as energy production that is sustainable and often naturally replenished



Landfill



Renewable and Clean Energy Portfolio



"TVA's Portfolio >50% Renewable and Clean Energy"



Improvement of air quality

Environmental Objective

Continue efforts to reduce SO₂, NO_x, Mercury, and

Particulate Emissions









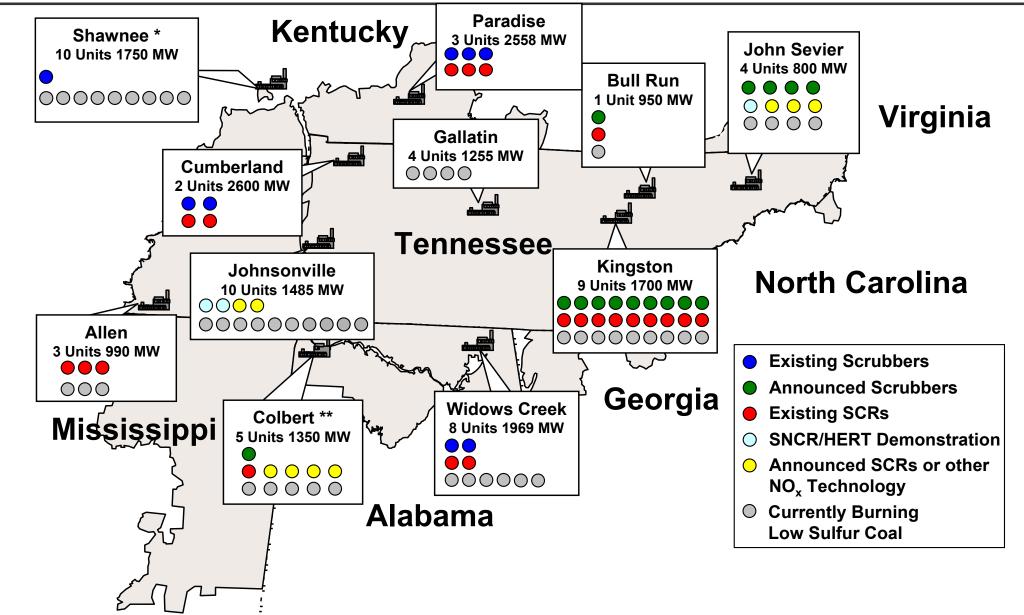








Scrubbers and Advanced NO_x Controls on TVA's Coal Fired Power Plants



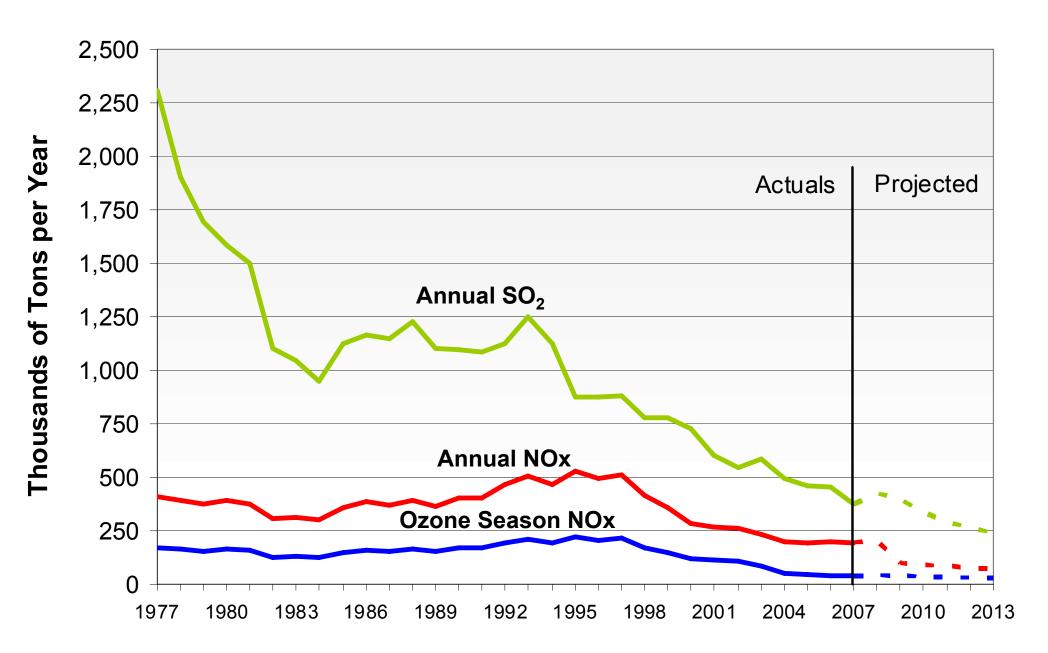
^{*} Shawnee Unit 10 is an Atmospheric Fluidized Bed Combustion (AFBC) boiler which lowers SO₂ and NOx emissions without the use of external controls.

NOTE: In addition to 21 selective catalytic reduction systems, TVA has installed low NOx burners or over-fire air on 40 of the 59 coal-fired units. The other units have installed boiler optimization systems and Shawnee Unit 10 is a boiler with low NOx technology.

^{**} Budget for Colbert Scrubber/SCRs not approved by Board yet.



TVA Emission Trends

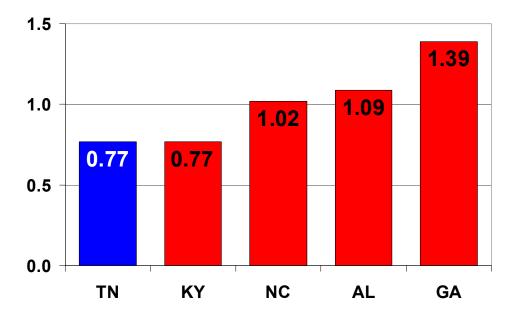




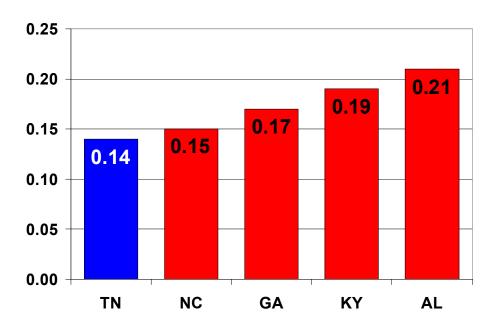
2007 Emission Rates Comparison

Coal-fired Utility Emission Rates of Southeastern States

Annual SO₂ Emission Rates Pounds per mmBTU



Ozone Season NOx Emission Rates
Pounds per mmBTU





TVA ENVIRONMENTAL POLICY ENERGY Cleaner, Reliable, Still Affordable Energy ECONOMIC DEVELOPMENT Sustainable Economic Development ENVIRONMENT Proactive Environmental Stewardship Hardunan also

Waste Minimization

Environmental Objective

Drive increased sustainability in existing compliance programs and waste management programs by focusing on waste avoidance, minimizing waste generation, and increasing recycling to reduce environmental impacts





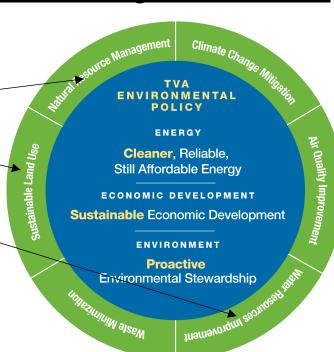
Regional Resource Stewardship Council Advise – March 2008



Councils recommendations centered on:
Water Quality and Quantity/Sufficiency
Land and Shoreline Strategy
Natural Resource Strategy
Recreation

Themes - "Educate, Collaborate/Leverage, Execute"

Natural Resource Management
Sustainable Land Use
Water Resource Protection
and Improvement





Water Resource Protection and Improvement

Environmental Objective

Continue managing an integrated river system while striving to provide clean and sufficient water









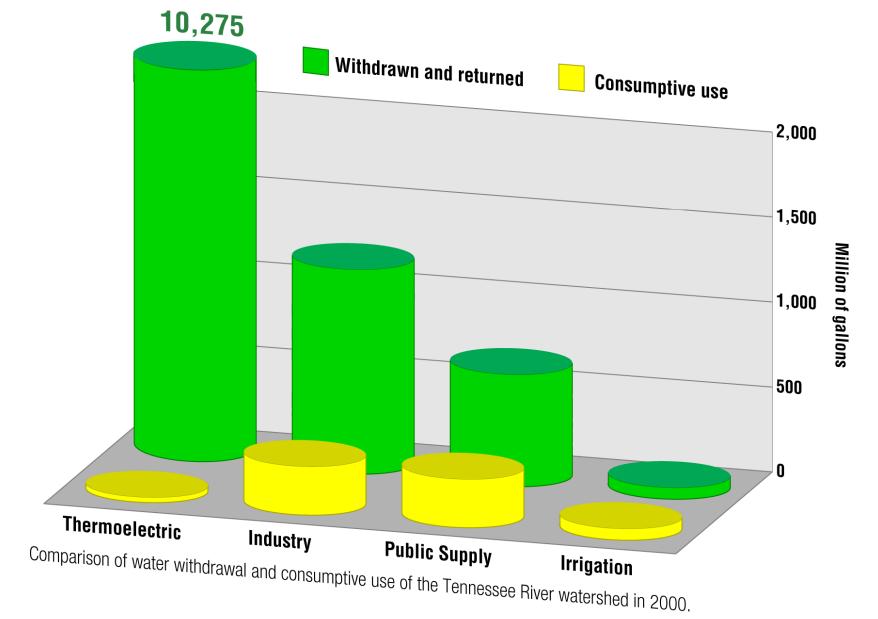








Water Withdrawal and Consumption





Sustainable Land Use

Environmental Objective

Maintain TVA managed lands in good environmental health by balancing uses for sustainable development.

















Sustainable Land Use

Shoreline stabilization project





Before After

"Whether the goal is to protect an archaeological site from exposure to the elements and from looting, to stabilize a heavily used recreation area that might otherwise be lost to the public, or to improve water quality and wildlife habitat, it's a good feeling to know that we're helping to protect locations that are important to Valley citizens." TVA Watershed Team Member



Natural Resource Management

Environmental Objective

TVA will be a leader in natural resource management by implementing sustainable practices in dispersed

recreation while balancing the protection of

natural and cultural resources.

















Where do we go from here: Implementation

- Strategies being refined to match policy
- Policy Implementation and resource planning to undergo environmental review

